

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 991 – SB 1804

April 11, 2012

SUMMARY OF AMENDMENT (016238): Deletes all language after the enacting clause. Increases fees paid to the sheriff or constable for serving process in person from \$20.00 to \$30.00 and increases fees paid to the sheriff or constable for returning any service of process where the sheriff or constable attempts service but is unsuccessful from \$7.00 to \$10.00.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Revenue - \$1,221,400

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase Local Revenue – \$753,100

Assumptions applied to amendment:

- According to a survey of Wilson, Williamson, and Greene Counties, there is approximately one service of process carried out for every 6.4 county residents.
- Based on data from the 2010 U.S. Census, the total population of the state of Tennessee is 6,346,105.
- Based on this information, there were approximately 991,579 (6,346,105 / 6.4 residents) processes served state-wide in 2010.
- Pursuant to Tenn. Code Ann. § 8-21-901, sheriffs and constables are authorized to collect fees for serving process in person, by mail, any other authorized method, summoning jurors in any proceeding, delivering process related to a judicial proceeding issued by an entity other than a court, and for returning service of process where the attempts of service is unsuccessful.
- According to the current fees assessed, the average fee paid to sheriffs and constables for all processes served, regardless of manner, is \$10.33 [(\$20.00 for service in person + \$10.00 for service by mail + \$10.00 for any other authorized method + \$10.00 for serving any process from any entity other than a court + \$7.00 for returning any service of process where service was unsuccessful + \$5.00 for summoning jurors in any proceeding) / 6 actions of service of process].
- Based on the approximate number of processes served in the state in 2010 and the current average fee assessed, local government revenues from current fees collected are estimated to be \$10,243,011.07 (991,579 x \$10.33).

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- If certain fees are raised the average fee paid to sheriffs and constables for all processes served, regardless of manner, will be \$12.50 [(\$30.00 for service in person + \$10.00 for service by mail + \$10.00 for any other authorized method + \$10.00 for serving process from any other entity other than a court + \$10.00 for returning any service of process where service was unsuccessful + \$5.00 for summoning jurors in any proceeding) / 6 actions of service of process].
- Based on the approximate number of processes served in the state in 2010 and the average fee assessed if certain fees are increased, local government revenues from fees collected are estimated to be \$12,394,737.50 (991,579 x \$12.50). This would represent a recurring increase in local government revenue of \$2,151,726.43 (\$12,394,737.50 - \$10,243,011.07).
- It is estimated that 65 percent of people who will be served any process will be indigent and unable to pay the assessed fees. Assuming this percentage of indigents, the recurring increase in local government revenues is estimated to be \$753,104.25 [\$2,151,726.43 - (\$2,151,726.43 x 65.0%)].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/jrh